Summary for Discussion
RETI Renewable Generation Scenarios for CTPG
Stakeholder Steering Committee
February 26, 2010 – Revised after SSC Meeting
Rich Ferguson, RETI Coordinator

The RETI transmission working group (TWG) has discussed potential planning scenarios to be recommended by the SSC for inclusion in CTPG's Phase 2 multiple-scenario planning studies. The TWG forwards the scenario options outlined below but does not have a recommendation for the SSC.

The aggressive CTPG schedule requires that scenarios to be used in Phase 2 be submitted in detail no later than early Monday, March 1. The SSC will be asked to choose its recommended scenarios at its meeting Friday, February 26. This document outlines the basic decisions which must be made by the SSC in order to provide the detailed information CTPG needs to proceed. These scenarios are shown schematically in the chart on the second page of this document.

Inclusion, size and composition of a "discounted core"
Scenarios under development by the CPUC for use in its long term procurement process (LTPP) include a "discounted core" consisting of projects deemed most likely to be operational by 2020. In the interest of making RETI scenarios similar to those likely to be used by CPUC, proposed RETI scenarios also include core projects. Additional energy to make up the net short is than chosen by methodologies discussed later.

The SSC must decide if core projects will be included in RETI proposed scenarios. If so, the SSC also must determine the methodology for choosing projects to be included in this core. The options discussed by the TWG are:

1. No core (not illustrated in the chart);
2. Small core consisting of projects with executed interconnection agreements (scenarios 1,2,3 in chart);
3. Larger core with two further options (scenarios 1A,2A,3A in chart);
    a. Projects *approved* by appropriate entity (CPUC or POU board) and having filed permit applications;
    b. Same as above with the addition of projects *pending* but not yet approved.

Net short and composition of energy added to discounted core
The TWG has discussed three options for choosing renewable energy to be added to the core to fill the net short as shown in the chart.

> Scenario 1 & 1A — Heavy in-state scenario —
> The proposed net short is the value approved by the SSC at its January meeting, 52,764 GWh. Remaining energy needed to fill the net short is obtained on a pro rata basis from California CREZ having economic and environmental scores less than the median (lower left quadrant of the bubble chart) and out-of-state CREZ having economic scores less than the median OOS score. A 70/30 split between in- and out-of-state energy is proposed.

> Scenario 2 & 2A — Heavy out-of-state scenario —
> This scenario is constructed as scenario 1 except that the in- and out-of-state split would be 30/70.

The logic of using several of these scenarios is that transmission projects found to be needed in all scenarios may be considered "least regrets" projects.

<u>Scenario 3 & 3A</u> — Environmental scenario —
At the request of several SSC members, a scenario was discussed by the TWG which might be called an "environmental" scenario. The proposed net short for this scenario is described in the revised net short document which is being circulated to the SSC with this document, 37,239 GWh in 2020. Energy needed to fill this net short (in addition to energy in the core chosen) would be obtained on a pro rata basis from preferred CA CREZ chosen by an expert panel based on CREZ environmental scores, CREZ environmental transmission scores, and additional environmental factors described in the CREZ environmental issues matrices included in the RETI Phase 2A report.

Prioritization of scenarios
CTPG has informed RETI that scheduling pressures make it likely that only one RETI scenario can be included in CTPG Phase 2. Other scenarios may be included later. The SSC should therefore identify its preferred scenario and perhaps the priorities to be assigned to any additional scenarios.